

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:176

ANSWERED ON:26.03.2012

TUFS

Gavit Shri Manikrao Hodlya;Panda Shri Baijayant

Will the Minister of TEXTILES be pleased to state:

- (a) the salient features/status of the implementation of Technology Upgradation Fund Scheme (TUFS) including the number of the units which have been allocated/utilised funds during the last three years and the current year, State-wise;
- (b) whether the Government proposes to provide financial assistance/subsidy to the garment group and if so, the details thereof;
- (c) whether the Government also proposes to provide financial assistance to the domestic textile producers and if so, the details thereof;
- (d) whether road shows have been planned to create awareness about the TUFS and if so, the details thereof; and
- (e) whether the Government proposes to continue with the existing TUFS scheme in the next Five Year Plan and if so, the details thereof?

Answer

(MINISTER OF TEXTILES) (SHRI ANAND SHARMA)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 176 FOR ANSWER ON 26.03.2012 BY SHRI BAIJAYANT JAY PANDA AND SHRI MANIKRAO H. GAVIT REGARDING TUFS

(a): The Technology Upgradation Fund Scheme (TUFS) provides for interest reimbursement/capital subsidy/Margin Money subsidy to incentivise technology upgradation by installation of certain specified machinery by the textile industry.

State wise release of funds during the last three year and current year is at Annexure.

(b): Subsidy under TUFS is being provided to Woven and / or knitted garment and/or made-up manufacturing or combinations thereof. Investments like factory building, pre-operative expenses and margin money for working capital are eligible for benefit of reimbursement under the scheme meant for apparel sector with existing 50% cap. In case apparel unit is engaged in other activity, the eligible investment under this head will only be related to plant & machinery eligible for manufacturing of apparel.

(c): Government has introduced Knitwear Technology Mission (KTM) to empower the exporting community to go in for wider range of products Government has also introduced several provisions in the Foreign Trade Policy 2009-14, further to supplemented in August, 2010 for providing incentives to the textile sector. This includes incentives for exports to focus markets and exports of focus products, extension of Duty Entitlement Passbook Scheme, interest subvention on pre-shipment credit, duty free import of trimmings etc. This apart, financial assistance is being provided to exporters under the Market Development Assistance Scheme and the Market Access Initiative Scheme for projecting capabilities in existing markets and for exploring new markets.

(d): Roadshows were conducted during the year to create awareness about the TUFS in Shillong, Surat, Malegaon, Ludhiana, Hyderabad, Coimbatore and Kanpur.

(e): Government has recommended continuation of TUFS to the Planning Commission with an allocation of Rs. 15886 crore for the entire 12th Five Year Plan against the allocation of Rs. 15404 crore during 11th Five Year Plan.